

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19144
[REDACTED],)	
)	DECISION
Petitioners.)	
_____)	

On September 13, 2005, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination (NODD) to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable years 1997 through 2002 in the total amount of \$18,677.

The taxpayer filed a timely appeal. He did not request a hearing or submit additional information. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Because Tax Commission records showed the taxpayer met the state income tax filing requirements and had not filed an Idaho return for taxable years 1997 through 2002, the Bureau attempted to contact the taxpayer for clarification. The taxpayer did not respond.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency --
Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

Determining the taxpayer had a requirement to file resident individual income tax returns, the Bureau prepared Idaho returns on his behalf and sent him a NODD. In response to the notice, the taxpayer sent a letter of protest wherein he said the NODD was prepared by assuming each year's income was the same as his highest year. Furthermore, he said the NODD did not take into account the costs for his employees and materials used. He said he would prove his income was considerably less than the income used to compute the tax amounts shown in the NODD. He asked for additional time to locate information and prepare correct returns for filing.

The Bureau sent the taxpayer a letter to advise him his file would be held until December 22, 2005. However, no information was received and the taxpayer's file was transferred to the Legal/Tax Policy Division for administrative review. He did not respond to a letter from the Tax Appeals Specialist advising him of his appeal rights.

Although the taxpayer does not deny he has a requirement to file Idaho individual income tax returns, he has not filed his 1997 through 2002 Idaho returns. He has submitted nothing that would cast doubt on the Bureau's determination that was based on records retained by the [REDACTED] Idaho Department of Labor, and Tax Commission.

The deficiency was calculated using a filing status of single with one exemption and the standard deduction. A grocery credit reduced each year's tax amount.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated September 13, 2005, is hereby

APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1997	\$2,837	\$709	\$1,544	\$5,090
1998	499	125	233	857
1999	2,485	621	980	4,086
2000	2,056	514	646	3,216
2001	3,058	765	725	4,548
2002	821	205	142	<u>1,168</u>
			TOTAL	\$18,965

Interest is computed through April 30, 2006.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayer's right to appeal this decision is included with this decision.

DATED this ____ day of _____, 2006.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2006, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.
